

(September 5, 2006)

**Asphalt Cost Price Adjustment**

The Contracting Agency will make an Asphalt Cost Price Adjustment, either a credit or a payment, for qualifying changes in the index cost of asphalt binder. The adjustment will be applied to partial payments made according to Section 1-09.9 for the following bid items when they are included in the proposal:

“HMA Cl. \_\_\_\_ PG \_\_\_\_”

“HMA for Approach Cl. \_\_\_\_ PG \_\_\_\_”

“HMA for Preleveling Cl. \_\_\_\_ PG \_\_\_\_”

“HMA for Pavement Repair Cl. \_\_\_\_ PG \_\_\_\_”

“Commercial HMA”

The adjustment is not a guarantee of full compensation for changes in the cost of asphalt binder. The Contracting Agency does not guarantee that asphalt binder will be available at the index cost.

The Contracting Agency will establish the monthly cost index each month and post the information on the Agency website at: <http://www.wsdot.wa.gov/biz/construction/>. The monthly cost will be determined using posted prices furnished by Poten & Partners, Inc. If the selected price source ceases to be available for any reason, then the Contracting Agency will select a substitute price source to establish the monthly cost index.

The base cost established for this contract is the monthly cost posted on the Agency website for the month immediately preceding the bid opening date.

Adjustments will be based on the most current monthly cost for Western Washington or Eastern Washington as posted on the Agency website, depending on where the work is performed. For work completed after all authorized working days are used, the adjustment will be based on the posted monthly cost for the month during which contract time was exhausted. The adjustment will be calculated as follows:

No adjustment will be made if the monthly cost is within 10% of the base cost.

If the monthly cost is greater than or equal to 110% of the base cost, then

Adjustment = (Monthly Cost – (1.1 x Base Cost)) x (Q x 0.056).

If the monthly cost is less than or equal to 90% of the base cost, then

Adjustment = (Monthly Cost – (0.9 x Base Cost)) x (Q x 0.056).

Where Q = total tons of all classes of HMA paid in the current months progress payment.

“Asphalt Cost Price Adjustment”, by calculation.

“Asphalt Cost Price Adjustment” will be calculated and paid for as described in this section. For the purpose of providing a common proposal for all bidders, the Contracting Agency has entered an amount in the proposal to become a part of the total bid by the Contractor.